

**United States Environmental Protection Agency
Criminal Investigation Division
Investigative Activity Report**

Case Number

0506-0026

Case Title:

Ferguson Enterprises Inc.

Reporting Office:

Detroit, MI, Resident Office

Subject of Report:

Interview of (b)(6), (b)(7), Detroit Law Department

Activity Date:

December 2, 2010

Reporting Official and Date:

(b)(6), (b)(7)(C), RAC

27-DEC-2010, Signed by: (b)(6), (b)(7), RAC

Approving Official and Date:

(b)(6), (b)(7)(C), SAC

28-DEC-2010, Approved by: (b)(6), (b)(7), ASAC

SYNOPSIS

12/02/2010 - U.S. EPA CID Special Agent (SA) (b)(6), (b)(7)(C) contacted (b)(6), (b)(7), Detroit Law Department, regarding a meeting (b) attended with representatives from the Detroit Water & Sewerage Department (DWSD). (b)(6), was previously interviewed by SA (b)(6), (b)(7) in this investigation.

DETAILS

On December 2, 2010, U.S. EPA CID Special Agent (SA) (b)(6), (b)(7)(C) contacted (b)(6), (b)(7), Detroit Law Department, regarding a meeting (b) attended with representatives from the Detroit Water & Sewerage Department (DWSD). (b)(6), was previously interviewed by SA (b)(6), (b)(7) in this investigation. (b)(6), provided the following information:

SA (b)(6), (b)(7) explained that (b) had reviewed notes taken by (b)(6), (b)(7) of the DWSD which indicate that (b)(6), was present for a meeting with then DWSD Director (b)(6), (b)(7)(C) (b)(6), of DLZ and (b)(6), (b)(7). The topic of the meeting was the creation of contract CM 2012. The notes also indicate that someone at the meeting made a comment regarding the cancellation of contract CS 1361 and "problems with Lakeshore." (b)(6), does not recall anyone making this statement but commented that it would not be him who made it. (b)(6), went on to say that the statement would have to have been made by (b)(6), (b)(7) as he and Deputy Director (b)(6), (b)(7) were the only city representatives who had the authority to cancel contracts. (b)(6), also stated that the only person present at the meeting in question who had the authority to cancel a contract was (b)(6), (b)(7).

Later that same day, SA (b)(6), (b)(7) again contacted (b)(6), regarding legislation which had been passed but then vetoed by Governor Jennifer Granholm which would have created a regionally based water authority. (b)(6), explained that (b) compiled file cabinets full of research into the issue which in (b) opinion proved that the legislation was unconstitutional. If the measure had not been vetoed by the Governor the city was prepared to file a legal challenge. (b)(6), wrote a background document which laid out why the legislation was unconstitutional.